



## Filing Receipt

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**PROJECT NO. 52373**

**REVIEW OF WHOLESALE ELECTRIC  
MARKET DESIGN**

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**PUBLIC UTILITY COMMISSION  
OF TEXAS**

**COMMENTS FROM ENEL NORTH AMERICA, INC.**

**ENEL OVERVIEW**

Enel North America (Enel) appreciates the opportunity to provide feedback on the Commission's request for comment on market design recommendations.

Enel is a multinational power company and a leading integrated player in the global power, gas and renewables markets. It is the largest European utility by market capitalization and ordinary EBITDA, and is present in over 30 countries worldwide, producing energy with over 88 GW of managed capacity. Enel distributes electricity through a network of over 1.3 million miles, and with over 73 million business and household end users globally, the Group has the largest customer base among its European peers.

Enel's renewables arm, Enel Green Power, is the world's largest renewable private player, managing around 46 GW of wind, solar, geothermal and hydropower plants in Europe, the Americas, Africa, Asia and Oceania. Enel operates in the US and Canada through two companies: Enel Green Power North America and Enel X North America. Enel Green Power North America is a leading owner and operator of renewable energy plants with a presence in 18 US states and one Canadian province. The company operates around 70 plants with a managed capacity of over 6 GW powered by wind, hydropower, geothermal and solar energy.

Enel X in North America has around 4,500 business customers, spanning more than 35,000 sites, representing approximately \$10.5B in energy spend under management, approximately 4.7 GW of demand response capacity and over 70 battery storage projects that are operational and under contract. Enel X is revolutionizing the EV charging market with its smart charging solutions deploying around 60,000 charging stations in the US.

## **SHORT TERM CHANGES**

### **Fast Responding Regulation Service**

Enel recommends that the Commission direct ERCOT to study the current amount Fast Responding Regulation Service being procured. These resources respond quickly to small deviations in frequency which supports system stability and reliability. However, FRRS is limited to 65MW in the Up direction, and 35MW in the Down direction. As more resources come online that can provide this service, ERCOT should consider whether its current procurement limitation is appropriate.

### **ORDC**

Enel supports calls to examine the shape of the ORDC, paired with changes in the offer cap. All resources providing energy should be eligible for the ORDC. Changes to the ORDC could meet the Commission's desire to provide more price stability. Enel encourages the PUCT to direct ERCOT to commission a detailed study of the appropriate price floor and Value of Lost Load. Enel recommends this as a near-term reliability improvement.

### **Demand Response**

Enel appreciates Commissioner McAdams' memo regarding opening a project on various demand response topics. Enel looks forward to providing more detailed comments in that project. Demand Response offers an opportunity to shore up reliability in the near-term and provide Texas consumers an opportunity to receive compensation for the value they can provide to the grid. Enel supports comments submitted by Advanced Energy Management Alliance and Texas Advanced Energy Business Alliance on this topic.

Enel looks forward to working with the Commission to identify Demand Response solutions that will maximize the value of demand response, increase participation, and adhere to Emergency Response Service (ERS) contracts that are currently in place.

## **MID- TO LONG-TERM CHANGES**

### **Ramp Product**

Enel, along with several other stakeholders, previously suggested that the Commission explore a Ramp Product to address uncertainty over dispatch intervals and fluctuations in load and generation. Any resources that can provide ramping should be compensated for providing this service. If there are duration requirements, they should be pro-rated to maximize resources participation.

Enel recommends that the Commission open a separate project to explore the potential for a ramp product and conduct in-depth analysis and discussion; or keep the topic in the current project and define a timeline and next steps.

### **Additional Reliability/ Ancillary Product**

Stakeholders have begun to coalesce around several market changes that will enhance reliability in the near- and mid-term. This includes changes to the ORDC, changes to the price cap, and exploring a Ramp Product. Enel recommends that the Commission conduct further analysis of these proposals and their impacts before exploring any additional products.

## **CONCLUSION**

Enel appreciates this opportunity to provide comments and looks forward to working with the Commission and other interested parties.

Respectfully submitted,

Ann Coultas  
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**EXECUTIVE SUMMARY OF ENEL COMMENTS**

- The Commission should direct ERCOT to examine increasing Fast Responding Regulation Service procurements to enhance grid stability and reliability.
- Enel supports changes to the ORDC shape, coupled with changes to the price cap.
- Enel supports opening a separate project to examine Demand Response issues.
- Resources should be eligible to participate in all services they are provide and compensated for those services. This applies to current and future projects.
- Ramp product may be explored as a mid-term reliability solution.
- New products should be explored once nearer term changes are identified and better understood.